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DEPARTMENT OF COMMERCE

International Trade Administration

[A-570-904]

Certain Activated Carbon from the People's Republic of China: Preliminary Results of Antidumping Duty Administrative Review, Intent to Rescind the Review, in Part, and Preliminary Determination of No Shipments; 2018-2019

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce.

SUMMARY: The Department of Commerce (Commerce) preliminarily determines that Carbon Activated Tianjin Co., Ltd. (Carbon Activated) and Datong Juqiang Activated Carbon Co., Ltd. (Datong Juqiang), exporters of certain activated carbon from the People's Republic of China (China), sold subject merchandise in the United States at prices below normal value (NV) during the period of review (POR) April 1, 2018 through March 31, 2019. Interested parties are invited to comment on these preliminary results.

DATES: Applicable [INSERT DATE OF PUBLICATION IN THE FEDERAL REGISTER].

FOR FURTHER INFORMATION CONTACT: Jinny Ahn or George Ayache, AD/CVD Operations, Office VIII, Enforcement and Compliance, International Trade Administration, Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-0339 or (202) 482-2623, respectively.

SUPPLEMENTARY INFORMATION:

Background

This administrative review is being conducted in accordance with section 751(a) of the Tariff Act of 1930, as amended (the Act). Commerce published the notice of initiation of this administrative review on June 13, 2019.¹ On November 19, 2019, Commerce extended the preliminary results deadline until April 29, 2020.²

Scope of the *Order*³

The merchandise subject to the order is certain activated carbon. The products are currently classifiable under the Harmonized Tariff Schedule of the United States (HTSUS) subheading 3802.10.00. Although the HTSUS subheading is provided for convenience and customs purposes, the written description of the scope of the order remains dispositive.⁴

Intent to Rescind Administrative Review, in Part

In the *Initiation Notice*, we included Jacobi Carbons, Inc. among the companies for which a review was requested. Commerce has previously determined that Jacobi Carbons, Inc. is a U.S. shareholder of Jacobi, and the record of this review supports that determination.

Therefore, we intend to rescind the review with respect to Jacobi Carbons, Inc. 6

<u>Preliminary Determination of No Shipments</u>

Based on our analysis of U.S. Customs and Border Protection (CBP) information, and the no shipment certifications submitted by Ningxia Guanghua Cherishmet Activated Carbon Co.,

¹ See Initiation of Antidumping and Countervailing Duty Administrative Reviews, 84 FR 27587 (June 13, 2019) (Initiation Notice).

² See Memorandum, "Certain Activated Carbon from the People's Republic of China: Extension of Deadline for Preliminary Results of the Twelfth Antidumping Duty Administrative Review," dated November 19, 2019.

³ See Notice of Antidumping Duty Order: Certain Activated Carbon from the People's Republic of China, 72 FR 20988 (April 27, 2007) (Order)

⁴ For a complete description of the scope of the *Order*, *see* Memorandum, "Decision Memorandum for the Preliminary Results of Antidumping Duty Administrative Review: Certain Activated Carbon from the People's Republic of China; 2018-2019," dated concurrently with, and hereby adopted by, this notice (Preliminary Decision Memorandum).

⁵ Jacobi Carbons AB and its affiliates, Tianjin Jacobi International Trading Co. Ltd., and Jacobi Carbons Industry (Tianjin) Co. Ltd. (collectively, Jacobi).

⁶ See Preliminary Decision Memorandum at 8.

Ltd., Jilin Bright Future Chemicals Co., Ltd., Shanxi Dapu International Trade Co., Ltd., and Tianjin Channel Filters Co., Ltd., Commerce preliminarily determines that these companies had no shipments of subject merchandise during the POR. For additional information regarding this determination, *see* the Preliminary Decision Memorandum.

Consistent with our practice in non-market economy (NME) cases, we are not rescinding this review but instead intend to complete the review with respect to these four companies, for which we have preliminarily found no shipments, and issue appropriate instructions to CBP based on the final results of the review.⁷

Methodology

Commerce is conducting this review in accordance with section 751(a)(1)(B) of the Act. We calculated export prices and constructed export prices in accordance with section 772 of the Act. Because China is an NME country within the meaning of section 771(18) of the Act, NV has been calculated in accordance with section 773(c) of the Act.

For a full description of the methodology underlying our conclusions, *see* the Preliminary Decision Memorandum. A list of the topics discussed in the Preliminary Decision Memorandum is included as Appendix I to this notice. The Preliminary Decision Memorandum is a public document and is made available to the public via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS). ACCESS is available to registered users at https://access.trade.gov. In addition, a complete version of the Preliminary Decision Memorandum is available at https://enforcement.trade.gov/frn/. The signed and electronic versions of the Preliminary Decision Memorandum are identical in content.

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⁷ See Non-Market Economy Antidumping Proceedings: Assessment of Antidumping Duties, 76 FR 65694, 65694-95 (October 24, 2011) (NME Practice).

Preliminary Results of the Review

Commerce preliminarily finds that 63 companies for which a review was requested⁸ did not establish eligibility for a separate rate because they failed to provide either a separate rate application or separate rate certification. As such, we preliminarily determine that these 63 companies are part of the China-wide entity.⁹

For those companies that have established their eligibility for a separate rate, ¹⁰

Commerce preliminarily determines that the following weighted-average dumping margins exist for the POR:

Exporter	Weighted-Average Dumping Margin (U.S. dollars per kilogram) ¹¹
Beijing Pacific Activated Carbon Products Co., Ltd.	0.49
Carbon Activated Tianjin Co., Ltd.	1.66
Datong Juqiang Activated Carbon Co., Ltd.	0.22
Jacobi Carbons AB ¹²	0.49
Ningxia Huahui Activated Carbon Co., Ltd.	0.49
Ningxia Mineral & Chemical Limited	0.49

⁸ See Appendix II of this notice for a full list of the 63 companies.

⁹ Because no interested party requested a review of the China-wide entity and Commerce no longer considers the China-wide entity as an exporter conditionally subject to administrative reviews, we did not conduct a review of the China-wide entity. Thus, the rate for the China-wide entity is not subject to change as a result of this review. See Antidumping Proceedings: Announcement of Change in Department Practice for Respondent Selection in Antidumping Duty Proceedings and Conditional Review of the Nonmarket Economy Entity in NME Antidumping Duty Proceedings, 78 FR 65963, 65969-70 (November 4, 2013). The China-wide entity rate of 2.42 U.S. dollars per kilogram was last reviewed in Certain Activated Carbon from the People's Republic of China: Final Results of Antidumping Duty Administrative Review; 2012-2013, 79 FR 70163 (November 25, 2014).

¹⁰ See Preliminary Decision Memorandum.

¹¹ In the second administrative review of the *Order*, Commerce determined that it would calculate per-unit weighted-average dumping margins and assessment rates for all future reviews. *See Certain Activated Carbon from the People's Republic of China: Final Results and Partial Rescission of Second Antidumping Duty Administrative Review*, 75 FR 70208, 70211 (November 17, 2010).

¹² In the third administrative review of the *Order*, Commerce found that Jacobi Carbons AB, Tianjin Jacobi International Trading Co. Ltd., and Jacobi Carbons Industry (Tianjin) should be treated as a single entity, and because there were no facts presented on the record of this review which would call into question our prior finding, we continue to treat these companies as part of a single entity for this administrative review, pursuant to sections 771(33)(E), (F), and (G) of the Act and 19 CFR 351.401(f). *See Certain Activated Carbon from the People's Republic of China: Final Results and Partial Rescission of Third Antidumping Duty Administrative Review*, 76 FR 67142, 67145, n. 25 (October 31, 2011); *see also* Preliminary Decision Memorandum.

Shanxi Sincere Industrial Co., Ltd.	0.49
Shanxi Tianxi Purification Filter Co., Ltd.	0.49
Datong Municipal Yunguang Activated Carbon Co., Ltd.	0.49
Shanxi Industry Technology Trading Co., Ltd.	0.49
Tancarb Activated Carbon Co., Ltd.	0.49

For the respondents that were not selected for individual examination in this administrative review but qualified for a separate rate, we have assigned to them the weighted-average margin calculated based on the publicly available ranged U.S. sales quantities of the mandatory respondents consistent with section 735(c)(5)(A) of the Act.¹³

Disclosure and Public Comment

Commerce intends to disclose the calculations performed for these preliminary results to the parties no later than five days after the date of publication of this notice in accordance with 19 CFR 351.224(b). Pursuant to 19 CFR 351.309(c)(ii), interested parties may submit case briefs no later than 30 days after the date of publication of these preliminary results of review. Parties who submit case briefs or rebuttal briefs in this proceeding are encouraged to submit with each argument: (1) a statement of the issue; (2) a brief summary of the argument; and (3) a table of authorities. Rebuttal briefs, limited to issues raised in the case briefs, may be filed no later than seven days after the case briefs are filed. Note that Commerce has temporarily modified certain of its requirements for serving documents containing business proprietary information, until May 19, 2020, unless extended. 15

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¹³ See Memorandum, "Certain Activated Carbon from the People's Republic of China: Calculation of the Margin for Respondents Not Selected for Individual Examination," dated concurrently with this notice; see also Preliminary Decision Memorandum.

¹⁴ See 19 CFR 351.309(d); see also Temporary Rule Modifying AD/CVD Service Requirements Due to COVID-19, 85 FR 17006 (March 26, 2020) (Temporary Rule) ("To provide adequate time for release of case briefs via ACCESS, E&C intends to schedule the due date for all rebuttal briefs to be 7 days after case briefs are filed (while these modifications are in effect)").

¹⁵ See Temporary Rule.

Pursuant to 19 CFR 351.310(c), interested parties who wish to request a hearing must submit a written request to the Assistant Secretary for Enforcement and Compliance within 30 days of the date of publication of this notice. Requests should contain: (1) the party's name, address and telephone number; (2) the number of participants; and (3) a list of issues parties intend to discuss. Issues raised in the hearing will be limited to those raised in the respective case and rebuttal briefs. 16 If a request for a hearing is made, Commerce intends to hold the hearing at the U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230, at a date and time to be determined. 17 Parties should confirm by telephone the date, time. and location of the hearing two days before the scheduled date.

All submissions to Commerce must be filed electronically using ACCESS¹⁸ and must also be served on interested parties. 19 An electronically filed document must be received successfully in its entirety by ACCESS, by 5 p.m. Eastern Time (ET) on the date that the document is due.

Unless otherwise extended, Commerce intends to issue the final results of this administrative review, which will include the results of its analysis of issues raised in any briefs, within 120 days of publication of these preliminary results, pursuant to section 751(a)(3)(A) of the Act.

Assessment Rates

Upon issuance of the final results, Commerce will determine, and CBP shall assess, antidumping duties on all appropriate entries covered by this review. ²⁰ Commerce intends to

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¹⁶ See 19 CFR 351.310(c). ¹⁷ See 19 CFR 351.310(d).

¹⁸ See 19 CFR 351.303.

¹⁹ See 19 CFR 351.303(f). ²⁰ See 19 CFR 351.212(b)(1).

issue assessment instructions to CBP 15 days after the publication date of the final results of this review. For any individually examined respondent whose (estimated) *ad valorem* weighted-average dumping margin is not zero or *de minimis* (*i.e.*, less than 0.50 percent) in the final results of this review, Commerce will calculate importer-specific assessment rates on the basis of the ratio of the total amount of dumping calculated for the importer's examined sales and the total quantity of those sales, in accordance with 19 CFR 351.212(b)(1).²¹ Commerce will also calculate (estimated)²² *ad valorem* importer-specific assessment rates with which to assess whether the per-unit assessment rate is *de minimis*.²³ We will instruct CBP to assess antidumping duties on all appropriate entries covered by this review when the importer-specific *ad valorem* assessment rate calculated in the final results of this review is not zero or *de minimis*. Where either the respondent's *ad valorem* weighted-average dumping margin is zero or *de minimis*, or an importer-specific *ad valorem* assessment rate is zero or *de minimis*,²⁴ we will instruct CBP to liquidate the appropriate entries without regard to antidumping duties.

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²¹ In these preliminary results, Commerce applied the assessment rate calculation method adopted in *Antidumping Proceedings: Calculation of the Weighted-Average Dumping Margin and Assessment Rate in Certain Antidumping Proceedings: Final Modification*, 77 FR 8101 (February 14, 2012).

²² See Certain Activated Carbon from the People's Republic of China: Final Results and Partial Rescission of Second Antidumping Duty Administrative Review, 75 FR 70208 (November 17, 2010), and accompanying Issues and Decision Memorandum at Comment 3. In the second administrative review of this proceeding, we analyzed the difference between reported entered values and estimated customs values. In that segment, we found substantial differences between the estimated customs values for entries of certain activated carbon and the entered values reported to CBP. We determined that the entered values of constructed export price sales were being systematically understated, which we also determined would result in the under-collection of antidumping duties by CBP. Accordingly, we made a determination to switch to per-unit assessment and cash deposit rates in that and subsequent reviews.

²³ For calculated (estimated) *ad valorem* importer-specific assessment rates used in determining whether the per-unit assessment rate is *de minimis*, *see* Memoranda, "Preliminary Results Margin Calculation for Datong Juqiang Activated Carbon Co., Ltd.," and "Antidumping Duty Administrative Review of Certain Activated Carbon the People's Republic of China: Preliminary Results Calculation Memorandum for Carbon Activated," both dated concurrently with this notice, and attached Margin Calculation Program Logs and Outputs.

²⁴ See 19 CFR 351.106(c)(2).

For the respondents that were not selected for individual examination in this administrative review but qualified for a separate rate, the assessment rate will be the margin established for these companies in the final results of this review.

For the final results, if we continue to treat the 63 companies, identified at Appendix II to this notice, as part of the China-wide entity, we will instruct CBP to apply a per-unit assessment rate of \$2.42 per kilogram to all entries of subject merchandise during the POR which were produced and/or exported by those companies.²⁵

For entries that were not reported in the U.S. sales data submitted by companies individually examined during this review, Commerce will instruct CBP to liquidate such entries at the rate for the China-wide entity. Additionally, if Commerce determines that an exporter under review had no shipments of the subject merchandise, any suspended entries that entered under that exporter's case number (*i.e.*, at that exporter's cash deposit rate) will be liquidated at the rate for the China-wide entity. ²⁷

In accordance with section 751(a)(2)(C) of the Act, the final results of this review shall be the basis for the assessment of antidumping duties on entries of merchandise covered by the final results of this review and for future deposits of estimated antidumping duties, as applicable. Cash Deposit Requirements

The following cash deposit requirements will be effective upon publication of the final results of this administrative review for shipments of the subject merchandise from China entered, or withdrawn from warehouse, for consumption on or after the publication date, as provided by section 751(a)(2)(C) of the Act: (1) for each specific company listed in the final

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²⁵ See, e.g., Certain Activated Carbon from the People's Republic of China: Final Results of Antidumping Duty Administrative Review; 2012-2013, 79 FR 70163, 70165 (November 25, 2014).

²⁶ See NME Practice, for a full discussion.

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results of this review, the cash deposit rate will be equal to the weighted-average dumping margin established in the final results of this review (except that if the *ad valorem* rate is *de minimis*, then the cash deposit rate will be zero); (2) for previously investigated or reviewed Chinese and non-Chinese exporters not listed above that have separate rates, the cash deposit rate will continue to be the existing exporter-specific cash deposit rate; (3) for all Chinese exporters of subject merchandise that have not been found to be entitled to a separate rate, the cash deposit rate will be the rate for the China-wide entity; and (4) for all non-Chinese exporters of subject merchandise which have not received their own separate rate, the cash deposit rate will be the rate applicable to the Chinese exporter that supplied that non-Chinese exporter. These cash deposit requirements, when imposed, shall remain in effect until further notice.

Notification to Importers

This notice also serves as a preliminary reminder to importers of their responsibility under 19 CFR 351.402(f)(2) to file a certificate regarding the reimbursement of antidumping duties prior to liquidation of the relevant entries during this POR. Failure to comply with this requirement could result in Commerce's presumption that reimbursement of antidumping duties occurred and the subsequent assessment of double antidumping duties.

Notification to Interested Parties

This administrative review and notice are issued and published in accordance with sections 751(a)(1) and 777(i)(1) of the Act, 19 CFR 351.213, and 19 CFR 351.221(b)(4).

Dated: April 24, 2020.

Jeffrey I. Kessler,

Assistant Secretary

for Enforcement and Compliance.

Appendix I

List of Topics Discussed in the Preliminary Decision Memorandum

- I. Summary
- II. Background
- III. Scope of the Order
 IV. Discussion of the Methodology
- V. Recommendation

Appendix II

Companies Preliminarily Not Eligible for a Separate Rate and Treated as Part of the China-Wide Entity

- 1. AM Global Shipping Lines Co., Ltd.
- 2. Apex Maritime (Tianjin) Co., Ltd.
- 3. Beijing Kang Jie Kong International Cargo Agent Co Ltd.
- 4. Bengbu Modern Environmental Co., Ltd.
- 5. Brilliant Logistics Group Inc.
- 6. China Combi Works Oy Ltd
- 7. China International Freight Co., Ltd.
- 8. Cohesion Freight (HK) Ltd.
- 9. Datong Municipal Yunguang
- 10. De Well Container Shipping Corp.
- 11. Derun Charcoal Carbon Co., Ltd.
- 12. Endurance Cargo Management Co., Ltd.
- 13. Envitek (China) Ltd.
- 14. Excel Shipping Co., Ltd.
- 15. Fujian Xinsen Carbon Co., Ltd.
- 16. Fuzhou Yihuan Carbon Co., Ltd.
- 17. Fuzhou Yuemengfeng Trade Co., Ltd.
- 18. Gongyi City Bei Shan Kou Water Purification Materials Factory
- 19. Guangdong Hanyan Activated Carbon Manufacturing Co., Ltd.
- 20. Guangzhou Four E'S Scientific Co., Ltd.
- 21. Hangzhou Hengxing Activated Carbon
- 22. Henan Dailygreen Trading Co., Ltd.
- 23. Honour Lane Shipping Ltd.
- 24. Ingevity Corp.
- 25. Ingevity Performance Materials
- 26. Jiangsu Kejing Carbon Fiber Co., Ltd.
- 27. Jiangxi Yuanli Huaiyushan Active Carbon
- 28. Jilin Bright Future Chemicals Co.
- 29. King Freight International Corp.
- 30. M Chemical Company, Inc.
- 31. Meadwestvaco Trading (Shanghai)
- 32. Muk Chi Trade Co., Ltd.
- 33. Nanping Yuanli Active Carbon Co.
- 34. Pacific Star Express (China) Company Ltd.
- 35. Panalpina World Transport (Prc) Ltd.
- 36. Pingdingshan Green Forest Activated Carbon Factory
- 37. Pingdingshan Lvlin Activated Carbon Co., Ltd.
- 38. Pudong Prime International Logistics
- 39. Safround Logistics Co.
- 40. Seatrade International Transportation
- 41. Shanghai Caleb Industrial Co. Ltd.

- 42. Shanghai Express Global International
- 43. Shanghai Line Feng Int'l Transportation
- 44. Shanghai Pudong International Transportation
- 45. Shanghai Sunson Activated Carbon
- 46. Shanghai Xinjinhu Activated Carbon
- 47. Shanxi DMD Corp.
- 48. Shanxi Industry Technology Trading (ITT)
- 49. Shanxi Tianxi Purification Filter
- 50. Shenzhen Calux Purification
- 51. Shijiazhuang Tangju Trading Co.
- 52. Sinoacarbon International Trading Co., Ltd.
- 53. T.H.I. Group (Shanghai) Ltd.
- 54. Tancarb Activated Carbon Co.
- 55. The Ultimate Solid Logistics Ltd
- 56. Tianjin Maijin Industries Co., Ltd
- 57. Translink Shipping Inc.
- 58. Trans-Power International Logistics Co., Ltd.
- 59. Triple Eagle Container Line
- 60. U.S. United Logistics (Ningbo) Inc.
- 61. Yusen Logistics Co., Ltd.
- 62. Zhejiang Topc Chemical Industry
- 63. Zhengzhou Zhulin Activated Carbon

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